

ESHB 2016 - S AMD 459
By Senator Kline

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 8.25 RCW
4 to read as follows:

5 (1) Whenever condemnation of real property is sought, a condemnor
6 shall document its consideration of any reasonable alternative to
7 condemnation or any reasonable alternative to the nature and extent of
8 condemnation that is suggested by a property owner in accordance with
9 this section. The documentation shall include the condemnor's reasons
10 for rejecting any suggested reasonable alternative. Reasonable
11 alternatives must be related to the specific property to be condemned
12 and shall not include alternatives to the overall project for which the
13 condemnation is sought.

14 (2) Not less than ninety days before taking final action, as
15 defined in RCW 8.25.---(4) (section 1(4) of Substitute House Bill No.
16 1458), the condemnor shall provide notice to the same property owners
17 and in the same manner as provided under RCW 8.25.---(2)(a) (section
18 1(2)(a) of Substitute House Bill No. 1458). The notice need not
19 contain information about the time and location of the final action,
20 but shall indicate the date of the final action. The notice shall
21 inform property owners that their property may be the subject of
22 condemnation and that any reasonable alternative to condemnation
23 suggested by an owner in writing and received by the condemnor not less
24 than sixty days before the date indicated for the final action will be
25 considered by the condemnor.

26 (3) Not less than thirty days before the date indicated for final
27 action, the condemnor shall respond to a property owner who has
28 suggested a reasonable alternative under subsection (2) of this
29 section. The condemnor shall respond by either: (a) Providing the
30 property owner with written documentation of the condemnor's

1 consideration of and reasons for rejecting the alternative; or (b)
2 notifying the property owner that more time is needed for consideration
3 of the alternative. The condemnor may extend the time to respond to
4 suggested reasonable alternatives and postpone the indicated date of
5 the final action, so long as the condemnor provides the required
6 documentation not less than thirty days before final action is taken.

7 (4) Nothing in this section relieves a condemnor of the obligation
8 to provide the notice required under RCW 8.25.--- (section 1 of
9 Substitute House Bill No. 1458).

10 (5) The requirements of this section do not apply to alternatives
11 reviewed as part of an environmental impact statement under chapter
12 43.21C RCW or the national environmental policy act of 1969.

13 (6) This section does not affect or alter the standard of judicial
14 review of public use and necessity in a condemnation action.

15 (7) For purposes of this section "property" means real property or
16 a portion of real property.

17 **Sec. 2.** RCW 8.25.020 and 1999 c 52 s 1 are each amended to read as
18 follows:

19 There shall be paid by the condemnor in respect of each parcel of
20 real property acquired by eminent domain or by consent under threat
21 thereof, in addition to the fair market value of the property, a sum
22 equal to the various expenditures actually and reasonably incurred by
23 those with an interest or interests in said parcel in the process of
24 evaluating and responding to the condemnor's offer to buy the same, but
25 not to exceed (~~((a total of seven hundred fifty dollars))~~) the lesser of:
26 (1) Five thousand dollars; or (2) One percent of the value of the
27 parcel as determined by the condemnor's fair market value appraisal or
28 seven hundred fifty dollars, whichever is greater. Such actual and
29 reasonable expenditures may include, but are not limited to, reasonable
30 fees of appraisers, attorneys, architects, engineers, or other persons
31 reasonably retained by the condemnee to evaluate the financial adequacy
32 of the offer. Financial adequacy shall be narrowly construed.
33 Reasonable expenditures shall not include costs incurred to evaluate or
34 propose reasonable alternatives to the condemnation in section 1 of
35 this act or to evaluate or challenge the legality of the condemnation
36 process or the legality of the ongoing project for which the

1 condemnation is sought. In the case of multiple interests in a parcel,
2 the division of such sum shall be determined by the court or by
3 agreement of the parties.

4 NEW SECTION. **Sec. 3.** A new section is added to chapter 8.25 RCW
5 to read as follows:

6 (1) Whenever real property or a portion of real property is to be
7 sold or otherwise disposed of within seven years after the date the
8 property was transferred to an acquiring entity through or under the
9 threat of condemnation, the former owner shall have a right of first
10 refusal to purchase the property in accordance with this section.
11 "Former owner" means the person or persons from whom the acquiring
12 entity acquired title or that person's or those persons' successors or
13 assigns to the right of first refusal.

14 (a) At least ninety days prior to the date on which the acquiring
15 entity will announce a public process for property disposition or, if
16 the sale is to be negotiated, at least ninety days prior to the date on
17 which a disposition is to be completed, the acquiring entity shall:
18 (i) Publish in a legal newspaper of general circulation in the area
19 where the property to be sold is located, a notice indicating its
20 determination to sell the property, identifying the property, and
21 describing generally any easements, other restrictions, or reserved
22 rights the acquiring entity intends to retain upon sale; and (ii) mail
23 the same notice to the former owner of the property at the former
24 owner's last known address or to a forwarding address if that owner has
25 provided the acquiring entity with a forwarding address.

26 (b) When a former owner exercises a right of first refusal to
27 purchase property under this subsection (1), the purchase price shall
28 be the lesser of the appraised value or the alternative value
29 calculation.

30 (c) If the former owner notifies the acquiring entity in writing
31 within thirty days of the date of notice provided under (a) of this
32 subsection that the former owner intends to exercise the right of first
33 refusal granted by this section, the acquiring entity shall, unless it
34 already has a completed current appraisal for the property, arrange for
35 an appraisal to determine the appraised value of the property subject
36 to the right. In addition, the acquiring entity shall arrange for an
37 alternative valuation calculation of the property subject to the right.

1 (d) If the former owner does not provide timely written notice to
2 the acquiring entity of the intent to exercise a right of first
3 refusal, that right is extinguished and the acquiring entity is
4 relieved of any further obligation under this section.

5 (e) Within thirty days of receipt of the former owner's notice of
6 intent to exercise the right of first refusal or following the
7 acquiring entity's receipt of the appraised value and alternative value
8 calculation, the acquiring entity shall provide the former owner with
9 a written copy of the two valuations and include an offer to the former
10 owner to purchase the property at the purchase price determined by the
11 acquiring entity under (b) of this subsection. All costs of appraisal
12 and alternative value calculation shall be paid by the acquiring
13 entity.

14 (f) In the event that the acquiring entity and the former owner
15 cannot agree on the purchase price of the property under (b) of this
16 subsection, the former owner shall arrange for an independent appraisal
17 of the appraised value and an independent determination of the
18 alternative value calculation. If the acquiring entity and the former
19 owner cannot then agree on the purchase price thirty days after the
20 acquiring entity receives the independent appraised value and
21 independent alternative calculation amount, the former owner may
22 initiate a lawsuit or demand, in writing, binding arbitration to
23 determine the purchase price under (b) of this subsection, or the
24 purchase price under (e) of this subsection is the final purchase
25 price. In the event binding arbitration is demanded, all appraised
26 values and alternative value calculations, including updated appraisals
27 and calculations, shall be submitted to a third, independent appraiser.
28 The third appraiser shall sit as an arbitrator and determine the
29 purchase price under (b) of this subsection. The arbitrator's decision
30 shall be final and binding. The acquiring entity and former owner
31 shall bear their own costs and fees, and pay equally the costs and fees
32 of the arbitrator.

33 (g) Within thirty days of the date the acquiring entity provides a
34 written copy of the appraisals and offer to the former owner under (e)
35 of this subsection, or within thirty days following the former owner's
36 failure to initiate a lawsuit or failure to demand binding arbitration
37 under (f) of this subsection, or within thirty days of the completion
38 of any proceedings under (f) of this subsection, whichever is later,

1 the former owner may exercise the right of first refusal granted by
2 this section by delivering to the acquiring entity earnest money or a
3 deposit in a form determined by the acquiring entity in an amount equal
4 to five percent of the purchase price, together with a written promise
5 to pay, within thirty days, the remainder of the purchase price and all
6 required fees and costs otherwise required for the transfer of real
7 property.

8 (h) Upon receipt of the full payment required in (g) of this
9 subsection, the acquiring entity shall transfer title to the former
10 owner, subject to any easements, other restrictions, or reserved rights
11 retained by the acquiring entity. If the former owner fails to
12 complete the sale, the earnest money or deposit is forfeited to the
13 acquiring entity, the former owner's right of first refusal is
14 extinguished, and the acquiring entity is relieved of any further
15 obligation under this section.

16 (2) The acquiring entity may reject a notice of intent under
17 subsection (1)(c) of this section received from a person claiming to be
18 a successor or assignee that is not accompanied by evidence sufficient
19 to demonstrate that the person is the successor or assignee of the
20 person from whom the acquiring entity acquired the right of first
21 refusal.

22 (3) The obligations imposed on an acquiring entity in this section
23 are in addition to any provided by law for the surplusizing or sale of
24 public property to private parties. Nothing in this section precludes
25 an acquiring entity from retaining the property and determining not to
26 surplus and sell the property.

27 (4) This section does not apply to the sale or disposal of property
28 to a public entity for a public use. This section does not apply to
29 the sale or disposal of property that implements and is consistent with
30 a community renewal plan approved pursuant to chapter 35.81 RCW.

31 (5) This section does not apply to the extent its application is
32 inconsistent with federal laws and regulations related to the
33 condemnation, purchase, transfer, or sale of property that a condemnor
34 is required to follow.

35 (6) For the purposes of this section:

36 (a) "Appraised value" means an amount equal to the estimated fair
37 market value of the property.

1 (b) "Alternative value calculation" means an amount equal to the
2 compensation received by the former owner from the acquiring entity
3 when the property was condemned or sold under threat of condemnation,
4 together with interest accrued at the market rate, and with that amount
5 adjusted to reflect the value of any physical changes made by the
6 acquiring entity or on its behalf, such as improvements or removal of
7 structures.

8 (c) "Market rate" means two percentage points above the equivalent
9 coupon issue yield, as published by the board of governors of the
10 federal reserve system, of the average bill rate for twenty-six week
11 treasury bills as determined at the first bill market auction conducted
12 during the calendar month immediately following the date when the
13 acquiring entity provided compensation to the former owner at the time
14 the property was condemned or sold under threat of condemnation.

15 (d) "Property" means real property or a portion of real property.

16 **Sec. 4.** RCW 28A.335.120 and 2006 c 263 s 913 are each amended to
17 read as follows:

18 (1) The board of directors of any school district of this state
19 may:

20 (a) Sell for cash, at public or private sale, and convey by deed
21 all interest of the district in or to any of the real property of the
22 district which is no longer required for school purposes; and

23 (b) Purchase real property for the purpose of locating thereon and
24 affixing thereto any house or houses and appurtenant buildings removed
25 from school sites owned by the district and sell for cash, at public or
26 private sale, and convey by deed all interest of the district in or to
27 such acquired and improved real property.

28 (2) When the board of directors of any school district proposes a
29 sale of school district real property pursuant to this section and the
30 value of the property exceeds seventy thousand dollars, the board shall
31 publish a notice of its intention to sell the property. The notice
32 shall be published at least once each week during two consecutive weeks
33 in a legal newspaper with a general circulation in the area in which
34 the school district is located. The notice shall describe the property
35 to be sold and designate the place where and the day and hour when a
36 hearing will be held. The board shall hold a public hearing upon the

1 proposal to dispose of the school district property at the place and
2 the day and hour fixed in the notice and admit evidence offered for and
3 against the propriety and advisability of the proposed sale.

4 (3) The board of directors of any school district desiring to sell
5 surplus real property shall publish a notice in a newspaper of general
6 circulation in the school district. School districts shall not sell
7 the property for at least forty-five days following the publication of
8 the newspaper notice.

9 (4) Private schools shall have the same rights as any other person
10 or entity to submit bids for the purchase of surplus real property and
11 to have such bids considered along with all other bids.

12 (5) Any sale of school district real property authorized pursuant
13 to this section shall be preceded by a market value appraisal by a
14 professionally designated real estate appraiser as defined in RCW
15 74.46.020 or a general real estate appraiser certified under chapter
16 18.140 RCW selected by the board of directors and no sale shall take
17 place if the sale price would be less than ninety percent of the
18 appraisal made by the real estate appraiser: PROVIDED, That if the
19 property has been on the market for one year or more the property may
20 be reappraised and sold for not less than seventy-five percent of the
21 reappraised value with the unanimous consent of the board.

22 (6) If in the judgment of the board of directors of any district
23 the sale of real property of the district not needed for school
24 purposes would be facilitated and greater value realized through use of
25 the services of licensed real estate brokers, a contract for such
26 services may be negotiated and concluded: PROVIDED, That the use of a
27 licensed real estate broker will not eliminate the obligation of the
28 board of directors to provide the notice described in this section:
29 PROVIDED FURTHER, That the fee or commissions charged for any broker
30 services shall not exceed seven percent of the resulting sale value for
31 a single parcel: PROVIDED FURTHER, That any professionally designated
32 real estate appraiser as defined in RCW 74.46.020 or a general real
33 estate appraiser certified under chapter 18.140 RCW selected by the
34 board to appraise the market value of a parcel of property to be sold
35 may not be a party to any contract with the school district to sell
36 such parcel of property for a period of three years after the
37 appraisal.

1 (7) If in the judgment of the board of directors of any district
2 the sale of real property of the district not needed for school
3 purposes would be facilitated and greater value realized through sale
4 on contract terms, a real estate sales contract may be executed between
5 the district and buyer.

6 (8) This section is subject to and operates only to the extent its
7 application is not inconsistent with the operation of section 3 of this
8 act with respect to property acquired through or under the threat of
9 condemnation.

10 **Sec. 5.** RCW 35.58.340 and 1993 c 240 s 9 are each amended to read
11 as follows:

12 Except as otherwise provided herein, a metropolitan municipal
13 corporation may sell, or otherwise dispose of any real or personal
14 property acquired in connection with any authorized metropolitan
15 function and which is no longer required for the purposes of the
16 metropolitan municipal corporation in the same manner as provided for
17 cities. When the metropolitan council determines that a metropolitan
18 facility or any part thereof which has been acquired from a component
19 city or county without compensation is no longer required for
20 metropolitan purposes, but is required as a local facility by the city
21 or county from which it was acquired, the metropolitan council shall by
22 resolution transfer it to such city or county. This section is subject
23 to and operates only to the extent its application is not inconsistent
24 with the operation of section 3 of this act with respect to property
25 acquired through or under the threat of condemnation.

26 **Sec. 6.** RCW 35.80A.030 and 1989 c 271 s 241 are each amended to
27 read as follows:

28 A county, city, or town may dispose of real property acquired
29 pursuant to this section to private persons only under such reasonable,
30 competitive procedures as it shall prescribe. The county, city, or
31 town may accept such proposals as it deems to be in the public interest
32 and in furtherance of the purposes of this chapter. Thereafter, the
33 county, city, or town may execute and deliver contracts, deeds, leases,
34 and other instruments of transfer. This section is subject to and
35 operates only to the extent its application is not inconsistent with
36 the operation of section 3 of this act with respect to property

1 acquired through or under the threat of condemnation, unless the
2 county, city, or town concludes that the operation of section 3 of this
3 act is not in the public interest.

4 **Sec. 7.** RCW 35.94.040 and 1973 1st ex.s. c 95 s 1 are each amended
5 to read as follows:

6 Whenever a city shall determine, by resolution of its legislative
7 authority, that any lands, property, or equipment originally acquired
8 for public utility purposes is surplus to the city's needs and is not
9 required for providing continued public utility service, then such
10 legislative authority by resolution and after a public hearing may
11 cause such lands, property, or equipment to be leased, sold, or
12 conveyed. Such resolution shall state the fair market value or the
13 rent or consideration to be paid and such other terms and conditions
14 for such disposition as the legislative authority deems to be in the
15 best public interest.

16 The provisions of RCW 35.94.020 and 35.94.030 shall not apply to
17 dispositions authorized by this section.

18 This section is subject to and operates only to the extent its
19 application is not inconsistent with the operation of section 3 of this
20 act with respect to property acquired through or under the threat of
21 condemnation.

22 **Sec. 8.** RCW 36.68.010 and 1963 c 4 s 36.68.010 are each amended to
23 read as follows:

24 Counties may establish park and playground systems for public
25 recreational purposes and for such purposes shall have the power to
26 acquire lands, buildings and other facilities by gift, purchase, lease,
27 devise, bequest and condemnation. A county may lease or sell any park
28 property, buildings or facilities surplus to its needs, or no longer
29 suitable for park purposes: PROVIDED, That such park property shall be
30 subject to the requirements and provisions of notice, hearing, bid or
31 intergovernmental transfer as provided in chapter 36.34 RCW: PROVIDED
32 FURTHER, That nothing in this section shall be construed as authorizing
33 any county to sell any property which such county acquired by
34 condemnation for park or playground or other public recreational
35 purposes on or after January 1, 1960, until held for five years or more
36 after such acquisition: PROVIDED FURTHER, That funds acquired from the

1 lease or sale of any park property, buildings or facilities shall be
2 placed in the park and recreation fund to be used for capital purposes.
3 This section is subject to and operates only to the extent its
4 application is not inconsistent with the operation of section 3 of this
5 act with respect to property acquired through or under the threat of
6 condemnation.

7 **Sec. 9.** RCW 43.43.115 and 1993 c 438 s 1 are each amended to read
8 as follows:

9 Whenever real property owned by the state of Washington and under
10 the jurisdiction of the Washington state patrol is no longer required,
11 it may be sold at fair market value. All proceeds received from the
12 sale of real property, less any real estate broker commissions, shall
13 be deposited into the state patrol highway account: PROVIDED, That if
14 accounts or funds other than the state patrol highway account have
15 contributed to the purchase or improvement of the real property, the
16 office of financial management shall determine the proportional equity
17 of each account or fund in the property and improvements, and shall
18 direct the proceeds to be deposited proportionally therein. This
19 section is subject to and operates only to the extent its application
20 is not inconsistent with the operation of section 3 of this act with
21 respect to property acquired through or under the threat of
22 condemnation.

23 **Sec. 10.** RCW 43.82.010 and 2004 c 277 s 906 are each amended to
24 read as follows:

25 (1) The director of general administration, on behalf of the agency
26 involved, shall purchase, lease, lease purchase, rent, or otherwise
27 acquire all real estate, improved or unimproved, as may be required by
28 elected state officials, institutions, departments, commissions,
29 boards, and other state agencies, or federal agencies where joint state
30 and federal activities are undertaken and may grant easements and
31 transfer, exchange, sell, lease, or sublease all or part of any surplus
32 real estate for those state agencies which do not otherwise have the
33 specific authority to dispose of real estate. This section does not
34 transfer financial liability for the acquired property to the
35 department of general administration.

1 (2) Except for real estate occupied by federal agencies, the
2 director shall determine the location, size, and design of any real
3 estate or improvements thereon acquired or held pursuant to subsection
4 (1) of this section. Facilities acquired or held pursuant to this
5 chapter, and any improvements thereon, shall conform to standards
6 adopted by the director and approved by the office of financial
7 management governing facility efficiency unless a specific exemption
8 from such standards is provided by the director of general
9 administration. The director of general administration shall report to
10 the office of financial management annually on any exemptions granted
11 pursuant to this subsection.

12 (3) The director of general administration may fix the terms and
13 conditions of each lease entered into under this chapter, except that
14 no lease shall extend greater than twenty years in duration. The
15 director of general administration may enter into a long-term lease
16 greater than ten years in duration upon a determination by the director
17 of the office of financial management that the long-term lease provides
18 a more favorable rate than would otherwise be available, it appears to
19 a substantial certainty that the facility is necessary for use by the
20 state for the full length of the lease term, and the facility meets the
21 standards adopted pursuant to subsection (2) of this section. The
22 director of general administration may enter into a long-term lease
23 greater than ten years in duration if an analysis shows that the life-
24 cycle cost of leasing the facility is less than the life-cycle cost of
25 purchasing or constructing a facility in lieu of leasing the facility.
26 For the 2003-05 biennium, any lease entered into after April 1, 2004,
27 with a term of ten years or less shall not contain a nonappropriation
28 clause.

29 (4) Except as permitted under chapter 39.94 RCW, no lease for or on
30 behalf of any state agency may be used or referred to as collateral or
31 security for the payment of securities offered for sale through a
32 public offering. Except as permitted under chapter 39.94 RCW, no lease
33 for or on behalf of any state agency may be used or referred to as
34 collateral or security for the payment of securities offered for sale
35 through a private placement without the prior written approval of the
36 state treasurer. However, this limitation shall not prevent a lessor
37 from assigning or encumbering its interest in a lease as security for
38 the repayment of a promissory note provided that the transaction would

1 otherwise be an exempt transaction under RCW 21.20.320. The state
2 treasurer shall adopt rules that establish the criteria under which any
3 such approval may be granted. In establishing such criteria the state
4 treasurer shall give primary consideration to the protection of the
5 state's credit rating and the integrity of the state's debt management
6 program. If it appears to the state treasurer that any lease has been
7 used or referred to in violation of this subsection or rules adopted
8 under this subsection, then he or she may recommend that the governor
9 cause such lease to be terminated. The department of general
10 administration shall promptly notify the state treasurer whenever it
11 may appear to the department that any lease has been used or referred
12 to in violation of this subsection or rules adopted under this
13 subsection.

14 (5) It is the policy of the state to encourage the colocation and
15 consolidation of state services into single or adjacent facilities,
16 whenever appropriate, to improve public service delivery, minimize
17 duplication of facilities, increase efficiency of operations, and
18 promote sound growth management planning.

19 (6) The director of general administration shall provide
20 coordinated long-range planning services to identify and evaluate
21 opportunities for colocating and consolidating state facilities. Upon
22 the renewal of any lease, the inception of a new lease, or the purchase
23 of a facility, the director of general administration shall determine
24 whether an opportunity exists for colocating the agency or agencies in
25 a single facility with other agencies located in the same geographic
26 area. If a colocation opportunity exists, the director of general
27 administration shall consult with the affected state agencies and the
28 office of financial management to evaluate the impact colocation would
29 have on the cost and delivery of agency programs, including whether
30 program delivery would be enhanced due to the centralization of
31 services. The director of general administration, in consultation with
32 the office of financial management, shall develop procedures for
33 implementing colocation and consolidation of state facilities.

34 (7) The director of general administration is authorized to
35 purchase, lease, rent, or otherwise acquire improved or unimproved real
36 estate as owner or lessee and to lease or sublet all or a part of such
37 real estate to state or federal agencies. The director of general
38 administration shall charge each using agency its proportionate rental

1 which shall include an amount sufficient to pay all costs, including,
2 but not limited to, those for utilities, janitorial and accounting
3 services, and sufficient to provide for contingencies; which shall not
4 exceed five percent of the average annual rental, to meet unforeseen
5 expenses incident to management of the real estate.

6 (8) If the director of general administration determines that it is
7 necessary or advisable to undertake any work, construction, alteration,
8 repair, or improvement on any real estate acquired pursuant to
9 subsection (1) or (7) of this section, the director shall cause plans
10 and specifications thereof and an estimate of the cost of such work to
11 be made and filed in his or her office and the state agency benefiting
12 thereby is hereby authorized to pay for such work out of any available
13 funds: PROVIDED, That the cost of executing such work shall not exceed
14 the sum of twenty-five thousand dollars. Work, construction,
15 alteration, repair, or improvement in excess of twenty-five thousand
16 dollars, other than that done by the owner of the property if other
17 than the state, shall be performed in accordance with the public works
18 law of this state.

19 (9) In order to obtain maximum utilization of space, the director
20 of general administration shall make space utilization studies, and
21 shall establish standards for use of space by state agencies. Such
22 studies shall include the identification of opportunities for
23 colocation and consolidation of state agency office and support
24 facilities.

25 (10) The director of general administration may construct new
26 buildings on, or improve existing facilities, and furnish and equip,
27 all real estate under his or her management. Prior to the construction
28 of new buildings or major improvements to existing facilities or
29 acquisition of facilities using a lease purchase contract, the director
30 of general administration shall conduct an evaluation of the facility
31 design and budget using life-cycle cost analysis, value-engineering,
32 and other techniques to maximize the long-term effectiveness and
33 efficiency of the facility or improvement.

34 (11) All conveyances and contracts to purchase, lease, rent,
35 transfer, exchange, or sell real estate and to grant and accept
36 easements shall be approved as to form by the attorney general, signed
37 by the director of general administration or the director's designee,

1 and recorded with the county auditor of the county in which the
2 property is located.

3 (12) The director of general administration may delegate any or all
4 of the functions specified in this section to any agency upon such
5 terms and conditions as the director deems advisable.

6 (13) This section does not apply to the acquisition of real estate
7 by:

8 (a) The state college and universities for research or experimental
9 purposes;

10 (b) The state liquor control board for liquor stores and
11 warehouses; and

12 (c) The department of natural resources, the department of fish and
13 wildlife, the department of transportation, and the state parks and
14 recreation commission for purposes other than the leasing of offices,
15 warehouses, and real estate for similar purposes.

16 (14) Notwithstanding any provision in this chapter to the contrary,
17 the department of general administration may negotiate ground leases
18 for public lands on which property is to be acquired under a financing
19 contract pursuant to chapter 39.94 RCW under terms approved by the
20 state finance committee.

21 (15) This section is subject to and operates only to the extent its
22 application is not inconsistent with the operation of section 3 of this
23 act with respect to property acquired through or under the threat of
24 condemnation.

25 **Sec. 11.** RCW 47.12.063 and 2006 c 17 s 2 are each amended to read
26 as follows:

27 (1) It is the intent of the legislature to continue the
28 department's policy giving priority consideration to abutting property
29 owners in agricultural areas when disposing of property through its
30 surplus property program under this section.

31 (2) Whenever the department determines that any real property owned
32 by the state of Washington and under the jurisdiction of the department
33 is no longer required for transportation purposes and that it is in the
34 public interest to do so, the department may sell the property or
35 exchange it in full or part consideration for land or improvements or
36 for construction of improvements at fair market value to any of the
37 following governmental entities or persons:

- 1 (a) Any other state agency;
2 (b) The city or county in which the property is situated;
3 (c) Any other municipal corporation;
4 (d) Regional transit authorities created under chapter 81.112 RCW;
5 (e) The former owner of the property from whom the state acquired
6 title;

7 (f) In the case of residentially improved property, a tenant of the
8 department who has resided thereon for not less than six months and who
9 is not delinquent in paying rent to the state;

10 (g) Any abutting private owner but only after each other abutting
11 private owner (if any), as shown in the records of the county assessor,
12 is notified in writing of the proposed sale. If more than one abutting
13 private owner requests in writing the right to purchase the property
14 within fifteen days after receiving notice of the proposed sale, the
15 property shall be sold at public auction in the manner provided in RCW
16 47.12.283;

17 (h) To any person through the solicitation of written bids through
18 public advertising in the manner prescribed by RCW 47.28.050;

19 (i) To any other owner of real property required for transportation
20 purposes;

21 (j) In the case of property suitable for residential use, any
22 nonprofit organization dedicated to providing affordable housing to
23 very low-income, low-income, and moderate-income households as defined
24 in RCW 43.63A.510 and is eligible to receive assistance through the
25 Washington housing trust fund created in chapter 43.185 RCW; or

26 (k) A federally recognized Indian tribe within whose reservation
27 boundary the property is located.

28 (3) Sales to purchasers may at the department's option be for cash,
29 by real estate contract, or exchange of land or improvements.
30 Transactions involving the construction of improvements must be
31 conducted pursuant to chapter 47.28 RCW or Title 39 RCW, as applicable,
32 and must comply with all other applicable laws and rules.

33 (4) Conveyances made pursuant to this section shall be by deed
34 executed by the secretary of transportation and shall be duly
35 acknowledged.

36 (5) Unless otherwise provided, all moneys received pursuant to the
37 provisions of this section less any real estate broker commissions paid
38 pursuant to RCW 47.12.320 shall be deposited in the motor vehicle fund.

1 (6) This section is subject to and operates only to the extent its
2 application is not inconsistent with the operation of section 3 of this
3 act with respect to property acquired through or under the threat of
4 condemnation.

5 **Sec. 12.** RCW 47.12.283 and 1979 ex.s. c 189 s 1 are each amended
6 to read as follows:

7 (1) Whenever the department of transportation determines that any
8 real property owned by the state of Washington and under the
9 jurisdiction of the department is no longer required for highway
10 purposes and that it is in the public interest to do so, the department
11 may, in its discretion, sell the property under RCW 47.12.063 or under
12 subsections (2) through (6) of this section.

13 (2) Whenever the department determines to sell real property under
14 its jurisdiction at public auction, the department shall first give
15 notice thereof by publication on the same day of the week for two
16 consecutive weeks, with the first publication at least two weeks prior
17 to the date of the auction, in a legal newspaper of general circulation
18 in the area where the property to be sold is located. The notice shall
19 be placed in both the legal notices section and the real estate
20 classified section of the newspaper. The notice shall contain a
21 description of the property, the time and place of the auction, and the
22 terms of the sale. The sale may be for cash or by real estate
23 contract.

24 (3) The department shall sell the property at the public auction,
25 in accordance with the terms set forth in the notice, to the highest
26 and best bidder providing the bid is equal to or higher than the
27 appraised fair market value of the property.

28 (4) If no bids are received at the auction or if all bids are
29 rejected, the department may, in its discretion, enter into
30 negotiations for the sale of the property or may list the property with
31 a licensed real estate broker. No property shall be sold by
32 negotiations or through a broker for less than the property's appraised
33 fair market value. Any offer to purchase real property pursuant to
34 this subsection shall be in writing and may be rejected at any time
35 prior to written acceptance by the department.

36 (5) Before the department shall approve any offer for the purchase
37 of real property having an appraised value of more than ten thousand

1 dollars, pursuant to subsection (4) of this section, the department
2 shall first publish a notice of the proposed sale in a local newspaper
3 of general circulation in the area where the property is located. The
4 notice shall include a description of the property, the selling price,
5 the terms of the sale, including the price and interest rate if sold by
6 real estate contract, and the name and address of the department
7 employee or the real estate broker handling the transaction. The
8 notice shall further state that any person may, within ten days after
9 the publication of the notice, deliver to the designated state employee
10 or real estate broker a written offer to purchase the property for not
11 less than ten percent more than the negotiated sale price, subject to
12 the same terms and conditions. A subsequent offer shall not be
13 considered unless it is accompanied by a deposit of twenty percent of
14 the offer in the form of cash, money order, cashiers check, or
15 certified check payable to the Washington state treasurer, to be
16 forfeited to the state (for deposit in the motor vehicle fund) if the
17 offeror fails to complete the sale if the offeror's offer is accepted.
18 If a subsequent offer is received, the first offeror shall be informed
19 by registered or certified mail sent to the address stated in his
20 offer. The first offeror shall then have ten days, from the date of
21 mailing the notice of the increased offer, in which to file with the
22 designated state employee or real estate broker a higher offer than
23 that of the subsequent offeror. After the expiration of the ten day
24 period, the department shall approve in writing the highest and best
25 offer which the department then has on file.

26 (6) All moneys received pursuant to this section, less any real
27 estate broker's commissions paid pursuant to RCW 47.12.320, shall be
28 deposited in the motor vehicle fund.

29 (7) This section is subject to and operates only to the extent its
30 application is not inconsistent with the operation of section 3 of this
31 act with respect to property acquired through or under the threat of
32 condemnation.

33 **Sec. 13.** RCW 53.08.090 and 1994 c 26 s 1 are each amended to read
34 as follows:

35 (1) A port commission may, by resolution, authorize the managing
36 official of a port district to sell and convey port district property
37 of ten thousand dollars or less in value. The authority shall be in

1 force for not more than one calendar year from the date of resolution
2 and may be renewed from year to year. Prior to any such sale or
3 conveyance the managing official shall itemize and list the property to
4 be sold and make written certification to the commission that the
5 listed property is no longer needed for district purposes. Any large
6 block of the property having a value in excess of ten thousand dollars
7 shall not be broken down into components of ten thousand dollars or
8 less value and sold in the smaller components unless the smaller
9 components be sold by public competitive bid. A port district may sell
10 and convey any of its real or personal property valued at more than ten
11 thousand dollars when the port commission has, by resolution, declared
12 the property to be no longer needed for district purposes, but no
13 property which is a part of the comprehensive plan of improvement or
14 modification thereof shall be disposed of until the comprehensive plan
15 has been modified to find the property surplus to port needs. The
16 comprehensive plan shall be modified only after public notice and
17 hearing provided by RCW 53.20.010.

18 Nothing in this section shall be deemed to repeal or modify
19 procedures for property sales within industrial development districts
20 as set forth in chapter 53.25 RCW.

21 (2) The ten thousand dollar figures in subsection (1) of this
22 section shall be adjusted annually based upon the governmental price
23 index established by the department of revenue under RCW 82.14.200.

24 (3) This section is subject to and operates only to the extent its
25 application is not inconsistent with the operation of section 3 of this
26 act with respect to property acquired through or under the threat of
27 condemnation.

28 **Sec. 14.** RCW 53.25.040 and 1989 c 167 s 1 are each amended to read
29 as follows:

30 (1) A port commission may, after a public hearing thereon, of which
31 at least ten days' notice shall be published in a newspaper of general
32 circulation in the port district, create industrial development
33 districts within the district and define the boundaries thereof, if it
34 finds that the creation of the industrial development district is
35 proper and desirable in establishing and developing a system of harbor
36 improvements and industrial development in the port district.

1 (2) The boundaries of an industrial development district created by
2 subsection (1) of this section may be revised from time to time by
3 resolution of the port commission, to delete land area therefrom, if
4 the land area to be deleted was acquired by the port district with its
5 own funds or by gift or transfer other than pursuant to RCW 53.25.050
6 or 53.25.060.

7 As to any land area to be deleted under this subsection that was
8 acquired or improved by the port district with funds obtained through
9 RCW 53.36.100, the port district shall deposit funds equal to the fair
10 market value of the lands and improvements into the fund for future use
11 described in RCW 53.36.100 and such funds shall be thereafter subject
12 to RCW 53.36.100. The fair market value of the land and improvements
13 shall be determined as of the effective date of the port commission
14 action deleting the land from the industrial development district and
15 shall be determined by an average of at least two independent
16 appraisals by professionally designated real estate appraisers as
17 defined in RCW 74.46.020 or licensed real estate brokers. The funds
18 shall be deposited into the fund for future use described in RCW
19 53.36.100 within ninety days of the effective date of the port
20 commission action deleting the land area from the industrial district.
21 Land areas deleted from an industrial development district under this
22 subsection shall not be further subject to the provisions of this
23 chapter. This subsection shall apply to presently existing and future
24 industrial development districts. Land areas deleted from an
25 industrial development district under this subsection that were
26 included within such district for less than two years, if the port
27 district acquired the land through condemnation or as a consequence of
28 threatened condemnation, shall be offered for sale, for cash, at the
29 appraised price, to the former owner of the property from whom the
30 district obtained title. Such offer shall be made by certified or
31 registered letter to the last known address of the former owner. The
32 letter shall include the appraised price of the property and notice
33 that the former owner must respond in writing within thirty days or
34 lose the right to purchase. If this right to purchase is exercised,
35 the sale shall be closed by midnight of the sixtieth day, including
36 nonbusiness days, following close of the thirty-day period. This
37 section is subject to and operates only to the extent its application

1 is not inconsistent with the operation of section 3 of this act with
2 respect to property acquired through or under the threat of
3 condemnation.

4 **Sec. 15.** RCW 70.44.300 and 1997 c 332 s 17 are each amended to
5 read as follows:

6 (1) The board of commissioners of any public hospital district may
7 sell and convey at public or private sale real property of the district
8 if the board determines by resolution that the property is no longer
9 required for public hospital district purposes or determines by
10 resolution that the sale of the property will further the purposes of
11 the public hospital district.

12 (2) Any sale of district real property authorized pursuant to this
13 section shall be preceded, not more than one year prior to the date of
14 sale, by market value appraisals by three licensed real estate brokers
15 or professionally designated real estate appraisers as defined in RCW
16 74.46.020 or three independent experts in valuing health care property,
17 selected by the board of commissioners, and no sale shall take place if
18 the sale price would be less than ninety percent of the average of such
19 appraisals.

20 (3) When the board of commissioners of any public hospital district
21 proposes a sale of district real property pursuant to this section and
22 the value of the property exceeds one hundred thousand dollars, the
23 board shall publish a notice of its intention to sell the property.
24 The notice shall be published at least once each week during two
25 consecutive weeks in a legal newspaper of general circulation within
26 the public hospital district. The notice shall describe the property
27 to be sold and designate the place where and the day and hour when a
28 hearing will be held. The board shall hold a public hearing upon the
29 proposal to dispose of the public hospital district property at the
30 place and the day and hour fixed in the notice and consider evidence
31 offered for and against the propriety and advisability of the proposed
32 sale.

33 (4) If in the judgment of the board of commissioners of any
34 district the sale of any district real property not needed for public
35 hospital district purposes would be facilitated and greater value
36 realized through use of the services of licensed real estate brokers,
37 a contract for such services may be negotiated and concluded. The fee

1 or commissions charged for any broker service shall not exceed seven
2 percent of the resulting sale price for a single parcel. No licensed
3 real estate broker or professionally designated real estate appraisers
4 as defined in RCW 74.46.020 or independent expert in valuing health
5 care property selected by the board to appraise the market value of a
6 parcel of property to be sold may be a party to any contract with the
7 public hospital district to sell such property for a period of three
8 years after the appraisal.

9 (5) This section is subject to and operates only to the extent its
10 application is not inconsistent with the operation of section 3 of this
11 act with respect to property acquired through or under the threat of
12 condemnation.

13 **Sec. 16.** RCW 79.36.330 and 2004 c 199 s 217 are each amended to
14 read as follows:

15 In the event the department should determine that the property
16 interests acquired under the authority of this chapter are no longer
17 necessary for the purposes for which they were acquired, the department
18 shall dispose of the same in the following manner, when in the
19 discretion of the department it is to the best interests of the state
20 of Washington to do so, except that property purchased with educational
21 funds or held in trust for educational purposes shall be sold only in
22 the same manner as are state lands:

23 (1) Where the state property necessitating the acquisition of
24 private property interests for access purposes under authority of this
25 chapter is sold or exchanged, the acquired property interests may be
26 sold or exchanged as an appurtenance of the state property when it is
27 determined by the department that sale or exchange of the state
28 property and acquired property interests as one parcel is in the best
29 interests of the state.

30 (2) If the acquired property interests are not sold or exchanged as
31 provided in subsection (1) of this section, the department shall notify
32 the person or persons from whom the property interest was acquired,
33 stating that the property interests are to be sold, and that the person
34 or persons shall have the right to purchase the same at the appraised
35 price. The notice shall be given by registered letter or certified
36 mail, return receipt requested, mailed to the last known address of the
37 person or persons. If the address of the person or persons is unknown,

1 the notice shall be published twice in an official newspaper of general
2 circulation in the county where the lands or a portion thereof is
3 located. The second notice shall be published not less than ten nor
4 more than thirty days after the notice is first published. The person
5 or persons shall have thirty days after receipt of the registered
6 letter or five days after the last date of publication, as the case may
7 be, to notify the department, in writing, of their intent to purchase
8 the offered property interest. The purchaser shall include with his or
9 her notice of intention to purchase, cash payment, certified check, or
10 money order in an amount not less than one-third of the appraised
11 price. No instrument conveying property interests shall issue from the
12 department until the full price of the property is received by the
13 department. All costs of publication required under this section shall
14 be added to the appraised price and collected by the department upon
15 sale of the property interests.

16 (3) If the property interests are not sold or exchanged as provided
17 in subsections (1) and (2) of this section, the department shall notify
18 the owners of land abutting the property interests in the same manner
19 as provided in subsection (2) of this section and their notice of
20 intent to purchase shall be given in the manner and in accordance with
21 the same time limits as are set forth in subsection (2) of this
22 section. However, if more than one abutting owner gives notice of
23 intent to purchase the property interests, the department shall
24 apportion them in relation to the lineal footage bordering each side of
25 the property interests to be sold, and apportion the costs to the
26 interested purchasers in relation thereto. Further, no sale is
27 authorized by this section unless the department is satisfied that the
28 amounts to be received from the several purchasers will equal or exceed
29 the appraised price of the entire parcel plus any costs of publishing
30 notices.

31 (4) If no sale or exchange is consummated as provided in
32 subsections (1) through (3) of this section, the department shall sell
33 the properties in the same manner as state lands are sold.

34 (5) Any disposal of property interests authorized by this chapter
35 shall be subject to any existing rights previously granted by the
36 department.

37 (6) This section is subject to and operates only to the extent its

1 application is not inconsistent with the operation of section 3 of this
2 act with respect to property acquired through or under the threat of
3 condemnation.

4 **Sec. 17.** RCW 80.28.230 and 1961 c 14 s 80.28.230 are each amended
5 to read as follows:

6 Any property or interest acquired as provided in RCW 80.28.220
7 shall be used exclusively for the purposes for which it was acquired:
8 PROVIDED, HOWEVER, That if any such property be sold or otherwise
9 disposed of by said corporations, such sale or disposition shall be by
10 public sale or disposition and advertised in the manner of public sales
11 in the county where such property is located. This section is subject
12 to and operates only to the extent its application is not inconsistent
13 with the operation of section 3 of this act with respect to property
14 acquired through or under the threat of condemnation.

15 **Sec. 18.** RCW 80.40.030 and 1963 c 201 s 4 are each amended to read
16 as follows:

17 Any natural gas company having received an order under RCW
18 80.40.040 shall have the right of eminent domain to be exercised in the
19 manner provided in and subject to the provisions of chapter 8.20 RCW to
20 acquire for its use for the underground storage of natural gas any
21 underground reservoir, as well as such other property or interests in
22 property as may be required to adequately maintain and utilize the
23 underground reservoir for the underground storage of natural gas,
24 including easements and rights of way for access to and egress from the
25 underground storage reservoir. The right of eminent domain granted
26 hereby shall apply to property or property interests held in private
27 ownership, provided condemnor has exercised good faith in negotiations
28 for private sale or lease. No property shall be taken or damaged until
29 the compensation to be made therefor shall have been ascertained and
30 paid. Any property or interest therein so acquired by any natural gas
31 company shall be used exclusively for the purposes for which it was
32 acquired. Any decree of appropriation hereunder shall define and limit
33 the rights condemned and shall provide for the reversion of such rights
34 to the defendant or defendants or their successors in interest upon
35 abandonment of the underground storage project. Good faith exploration
36 work or development work relative to the storage reservoir is

1 conclusive evidence that its use has not been abandoned. The court may
2 include in such decree such other relevant conditions, covenants and
3 restrictions as it may deem fair and equitable. This section is
4 subject to and operates only to the extent its application is not
5 inconsistent with the operation of section 3 of this act with respect
6 to property acquired through or under the threat of condemnation.

7 **Sec. 19.** RCW 81.112.080 and 1992 c 101 s 8 are each amended to
8 read as follows:

9 An authority shall have the following powers in addition to the
10 general powers granted by this chapter:

11 (1) To carry out the planning processes set forth in RCW
12 81.104.100;

13 (2) To acquire by purchase, condemnation, gift, or grant and to
14 lease, construct, add to, improve, replace, repair, maintain, operate,
15 and regulate the use of high capacity transportation facilities and
16 properties within authority boundaries including surface, underground,
17 or overhead railways, tramways, busways, buses, bus sets, entrained and
18 linked buses, ferries, or other means of local transportation except
19 taxis, and including escalators, moving sidewalks, personal rapid
20 transit systems or other people-moving systems, passenger terminal and
21 parking facilities and properties, and such other facilities and
22 properties as may be necessary for passenger, vehicular, and vessel
23 access to and from such people-moving systems, terminal and parking
24 facilities and properties, together with all lands, rights of way,
25 property, equipment, and accessories necessary for such high capacity
26 transportation systems. When developing specifications for high
27 capacity transportation system operating equipment, an authority shall
28 take into account efforts to establish or sustain a domestic
29 manufacturing capacity for such equipment. The right of eminent domain
30 shall be exercised by an authority in the same manner and by the same
31 procedure as or may be provided by law for cities of the first class,
32 except insofar as such laws may be inconsistent with the provisions of
33 this chapter. Public transportation facilities and properties which
34 are owned by any city, county, county transportation authority, public
35 transportation benefit area, or metropolitan municipal corporation may
36 be acquired or used by an authority only with the consent of the agency
37 owning such facilities. Such agencies are hereby authorized to convey

1 or lease such facilities to an authority or to contract for their joint
2 use on such terms as may be fixed by agreement between the agency and
3 the authority.

4 The facilities and properties of an authority whose vehicles will
5 operate primarily within the rights of way of public streets, roads, or
6 highways, may be acquired, developed, and operated without the corridor
7 and design hearings that are required by RCW 35.58.273 for mass transit
8 facilities operating on a separate right of way;

9 (3) To dispose of any real or personal property acquired in
10 connection with any authority function and that is no longer required
11 for the purposes of the authority, in the same manner as provided for
12 cities of the first class. When an authority determines that a
13 facility or any part thereof that has been acquired from any public
14 agency without compensation is no longer required for authority
15 purposes, but is required by the agency from which it was acquired, the
16 authority shall by resolution transfer it to such agency. This
17 subsection is subject to and operates only to the extent its
18 application is not inconsistent with the operation of section 3 of this
19 act with respect to property acquired through or under the threat of
20 condemnation;

21 (4) To fix rates, tolls, fares, and charges for the use of such
22 facilities and to establish various routes and classes of service.
23 Fares or charges may be adjusted or eliminated for any distinguishable
24 class of users.

25 NEW SECTION. Sec. 20. A new section is added to chapter 8.04 RCW
26 to read as follows:

27 (1) No public entity that is subject to this chapter or that
28 derives authority from this chapter may take private property solely
29 for the purpose of economic development.

30 (2) For the purposes of this section, "economic development" means
31 the acquisition or use of real property to increase tax revenue, tax
32 base, employment, or economic health. For the purposes of this
33 section, "economic development" does not include the acquisition or use
34 of real property for the primary purpose of:

- 35 (a) The transfer of real property to public ownership;
- 36 (b) The transfer of real property to a private entity that is a
37 common carrier, such as a utility or railroad;

1 (c) The transfer of real property to a private entity when
2 acquisition or appropriation is necessary to remove a threat to public
3 health or safety based on the present condition and use of the real
4 property;

5 (d) The transfer of real property to a private entity when
6 acquisition or appropriation is necessary for the removal of unsanitary
7 or unsafe conditions, conditions that endanger life or property by fire
8 or other causes, conditions conducive to ill health, transmission of
9 disease, infant mortality, juvenile delinquency and crime, hazardous
10 soils, substances, or materials, or conditions detrimental to or
11 constituting a menace to the public health, safety, welfare, and morals
12 in its present condition and use;

13 (e) The transfer of real property to a private entity when
14 acquisition or appropriation is necessary for the acquisition of
15 abandoned property; or

16 (f) The lease of real property to a private entity that occupies an
17 area within a public project or facility.

18 (3) This section does not apply to port districts or to common
19 carriers such as utilities and railroads and does not by implication
20 increase, decrease, or alter the powers of eminent domain of those
21 districts or common carriers.

22 NEW SECTION. **Sec. 21.** A new section is added to chapter 8.08 RCW
23 to read as follows:

24 (1) No public entity that is subject to this chapter or that
25 derives authority from this chapter may take private property solely
26 for the purpose of economic development.

27 (2) For the purposes of this section, "economic development" means
28 the acquisition or use of real property to increase tax revenue, tax
29 base, employment, or economic health. For the purposes of this
30 section, "economic development" does not include the acquisition or use
31 of real property for the primary purpose of:

32 (a) The transfer of real property to public ownership;

33 (b) The transfer of real property to a private entity that is a
34 common carrier, such as a utility or railroad;

35 (c) The transfer of real property to a private entity when
36 acquisition or appropriation is necessary to remove a threat to public

1 health or safety based on the present condition and use of the real
2 property;

3 (d) The transfer of real property to a private entity when
4 acquisition or appropriation is necessary for the removal of unsanitary
5 or unsafe conditions, conditions that endanger life or property by fire
6 or other causes, conditions conducive to ill health, transmission of
7 disease, infant mortality, juvenile delinquency and crime, hazardous
8 soils, substances, or materials, or conditions detrimental to or
9 constituting a menace to the public health, safety, welfare, and morals
10 in its present condition and use;

11 (e) The transfer of real property to a private entity when
12 acquisition or appropriation is necessary for the acquisition of
13 abandoned property; or

14 (f) The lease of real property to a private entity that occupies an
15 area within a public project or facility.

16 (3) This section does not apply to port districts or to common
17 carriers such as utilities and railroads and does not by implication
18 increase, decrease, or alter the powers of eminent domain of those
19 districts or common carriers.

20 NEW SECTION. **Sec. 22.** A new section is added to chapter 8.12 RCW
21 to read as follows:

22 (1) No public entity that is subject to this chapter or that
23 derives authority from this chapter may take private property solely
24 for the purpose of economic development.

25 (2) For the purposes of this section, "economic development" means
26 the acquisition or use of real property to increase tax revenue, tax
27 base, employment, or economic health. For the purposes of this
28 section, "economic development" does not include the acquisition or use
29 of real property for the primary purpose of:

30 (a) The transfer of real property to public ownership;

31 (b) The transfer of real property to a private entity that is a
32 common carrier, such as a utility or railroad;

33 (c) The transfer of real property to a private entity when
34 acquisition or appropriation is necessary to remove a threat to public
35 health or safety based on the present condition and use of the real
36 property;

1 (d) The transfer of real property to a private entity when
2 acquisition or appropriation is necessary for the removal of unsanitary
3 or unsafe conditions, conditions that endanger life or property by fire
4 or other causes, conditions conducive to ill health, transmission of
5 disease, infant mortality, juvenile delinquency and crime, hazardous
6 soils, substances, or materials, or conditions detrimental to or
7 constituting a menace to the public health, safety, welfare, and morals
8 in its present condition and use;

9 (e) The transfer of real property to a private entity when
10 acquisition or appropriation is necessary for the acquisition of
11 abandoned property; or

12 (f) The lease of real property to a private entity that occupies an
13 area within a public project or facility.

14 (3) This section does not apply to port districts or to common
15 carriers such as utilities and railroads and does not by implication
16 increase, decrease, or alter the powers of eminent domain of those
17 districts or common carriers.

18 NEW SECTION. **Sec. 23.** A new section is added to chapter 8.16 RCW
19 to read as follows:

20 (1) No public entity that is subject to this chapter or that
21 derives authority from this chapter may take private property solely
22 for the purpose of economic development.

23 (2) For the purposes of this section, "economic development" means
24 the acquisition or use of real property to increase tax revenue, tax
25 base, employment, or economic health. For the purposes of this
26 section, "economic development" does not include the acquisition or use
27 of real property for the primary purpose of:

28 (a) The transfer of real property to public ownership;

29 (b) The transfer of real property to a private entity that is a
30 common carrier, such as a utility or railroad;

31 (c) The transfer of real property to a private entity when
32 acquisition or appropriation is necessary to remove a threat to public
33 health or safety based on the present condition and use of the real
34 property;

35 (d) The transfer of real property to a private entity when
36 acquisition or appropriation is necessary for the removal of unsanitary
37 or unsafe conditions, conditions that endanger life or property by fire

1 or other causes, conditions conducive to ill health, transmission of
2 disease, infant mortality, juvenile delinquency and crime, hazardous
3 soils, substances, or materials, or conditions detrimental to or
4 constituting a menace to the public health, safety, welfare, and morals
5 in its present condition and use;

6 (e) The transfer of real property to a private entity when
7 acquisition or appropriation is necessary for the acquisition of
8 abandoned property; or

9 (f) The lease of real property to a private entity that occupies an
10 area within a public project or facility.

11 (3) This section does not apply to port districts or to common
12 carriers such as utilities and railroads and does not by implication
13 increase, decrease, or alter the powers of eminent domain of those
14 districts or common carriers.

15 NEW SECTION. **Sec. 24.** A new section is added to chapter 8.20 RCW
16 to read as follows:

17 (1) No public entity that is subject to this chapter or that
18 derives authority from this chapter may take private property solely
19 for the purpose of economic development.

20 (2) For the purposes of this section, "economic development" means
21 the acquisition or use of real property to increase tax revenue, tax
22 base, employment, or economic health. For the purposes of this
23 section, "economic development" does not include the acquisition or use
24 of real property for the primary purpose of:

25 (a) The transfer of real property to public ownership;

26 (b) The transfer of real property to a private entity that is a
27 common carrier, such as a utility or railroad;

28 (c) The transfer of real property to a private entity when
29 acquisition or appropriation is necessary to remove a threat to public
30 health or safety based on the present condition and use of the real
31 property;

32 (d) The transfer of real property to a private entity when
33 acquisition or appropriation is necessary for the removal of unsanitary
34 or unsafe conditions, conditions that endanger life or property by fire
35 or other causes, conditions conducive to ill health, transmission of
36 disease, infant mortality, juvenile delinquency and crime, hazardous

1 soils, substances, or materials, or conditions detrimental to or
2 constituting a menace to the public health, safety, welfare, and morals
3 in its present condition and use;

4 (e) The transfer of real property to a private entity when
5 acquisition or appropriation is necessary for the acquisition of
6 abandoned property; or

7 (f) The lease of real property to a private entity that occupies an
8 area within a public project or facility.

9 (3) This section does not apply to port districts or to common
10 carriers such as utilities and railroads and does not by implication
11 increase, decrease, or alter the powers of eminent domain of those
12 districts or common carriers.

13 NEW SECTION. **Sec. 25.** A new section is added to chapter 8.25 RCW
14 to read as follows:

15 (1) No public entity may take private property solely for the
16 purpose of economic development.

17 (2) For the purposes of this section, "economic development" means
18 the acquisition or use of real property to increase tax revenue, tax
19 base, employment, or economic health. For the purposes of this
20 section, "economic development" does not include the acquisition or use
21 of real property for the primary purpose of:

22 (a) The transfer of real property to public ownership;

23 (b) The transfer of real property to a private entity that is a
24 common carrier, such as a utility or railroad;

25 (c) The transfer of real property to a private entity when
26 acquisition or appropriation is necessary to remove a threat to public
27 health or safety based on the present condition and use of the real
28 property;

29 (d) The transfer of real property to a private entity when
30 acquisition or appropriation is necessary for the removal of unsanitary
31 or unsafe conditions, conditions that endanger life or property by fire
32 or other causes, conditions conducive to ill health, transmission of
33 disease, infant mortality, juvenile delinquency and crime, hazardous
34 soils, substances, or materials, or conditions detrimental to or
35 constituting a menace to the public health, safety, welfare, and morals
36 in its present condition and use;

1 (e) The transfer of real property to a private entity when
2 acquisition or appropriation is necessary for the acquisition of
3 abandoned property; or

4 (f) The lease of real property to a private entity that occupies an
5 area within a public project or facility.

6 (3) This section does not apply to port districts or to common
7 carriers such as utilities and railroads and does not by implication
8 increase, decrease, or alter the powers of eminent domain of those
9 districts or common carriers.

10 NEW SECTION. **Sec. 26.** A new section is added to chapter 35.81 RCW
11 to read as follows:

12 Acquisitions of property through the exercise of the power of
13 eminent domain under this chapter are subject to sections 21 and 22 of
14 this act.

15 NEW SECTION. **Sec. 27.** This act applies to condemnation
16 proceedings commenced on or after the effective date of this act."

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17 On page 1, line 1 of the title, after "domain;" strike the
18 remainder of the title and insert "amending RCW 8.25.020, 28A.335.120,
19 35.58.340, 35.80A.030, 35.94.040, 36.68.010, 43.43.115, 43.82.010,
20 47.12.063, 47.12.283, 53.08.090, 53.25.040, 70.44.300, 79.36.330,
21 80.28.230, 80.40.030, and 81.112.080; adding new sections to chapter
22 8.25 RCW; adding a new section to chapter 8.04 RCW; adding a new
23 section to chapter 8.08 RCW; adding a new section to chapter 8.12 RCW;
24 adding a new section to chapter 8.16 RCW; adding a new section to
25 chapter 8.20 RCW; adding a new section to chapter 35.81 RCW; and
26 creating a new section."

--- END ---